



## DIRECTIVE 05-06

September 9, 2005

### ADVICE FOR DETERMINING "ASSESSOR LOCATION"

#### **Purpose**

This directive affirms the position of the Property Tax Administrator that Assessor Location is an informal identification of real property into further stratifications of classes or subclasses defined in statute and regulation. This directive provides a recommended policy for assigning an Assessor Location to a sale.

#### **Definitions**

Assessor location is created by the assessor and is defined by the Sales File Practice Manual as, An alpha numeric field limited to twenty spaces. It is defined and used by the assessor to group similar type property. It may be a city, a village, or other area description.

Assessor location is also defined in the Focus Reports section of the Reports and Opinions as, Categories in the state-wide sales file which are *defined by the county assessor* to represent a class or subclass of property that is not required by statute or regulation.

These assessor defined groups or stratifications are not necessarily as reliable for use in the direct equalization process because they may not be formally defined or as strictly adhered to as neighborhoods or market areas which are used in mass appraisal models. Since the assessor determines these locations, they will differ from county to county.

#### **Procedures**

1. Assessor location shall be determined by the assessor.
2. The assessor shall be able to define, explain, or identify assessor location(s) so that the user of the sales file information, especially when used in conjunction with assessment sale ratio studies, understands what is represented by each assessor location.
3. The assessor shall be able to indicate whether or not the assessor location is maintained in the assessment records or the computer assisted mass appraisal system of the county.
4. The assessor shall be able to state whether or not the assessor location is in the data files of the county and whether or not a percentage adjustment of the valuation can be made based on this Assessor Location.

Following are examples of the use of an assessor location based on actual cases observed throughout the state.

***Assessor Location Example #1***

The County conducted a market analysis and determined that the suburban area located one mile outside the town of XXX was most comparable to the urban properties in that town. Therefore, assessor location XXX was created to represent the urban and suburban subclass of property for the town. The County also determined that the suburban area around the remaining villages of AAA, BBB, CCC, and DDD, was most comparable to the rural areas in the county. Therefore the assessor locations AAA, BBB, CCC, and DDD were created to represent only the urban subclasses in each village. Assessor location Rural includes all classified rural properties and includes parcels classified as suburban outside the villages of AAA, BBB, CCC, and DDD.

***Assessor Location Example #2***

The county has a number of rural developments: some around lakes; and, some located along major transportation routes to communities. When the sales of these properties are analyzed along with all sales classified in a rural location, the assessor location for these specific rural developments enables them to be further stratified for statistical analysis. The assessor location would identify the lake or area where the housing is located so that in the assessment to sales ratio calculated for rural residential, these parcels may be compared and contrasted with other sales having similar characteristics.

APPROVED:

/s

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Property Tax Administrator

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